



Media Release

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Anglian Water becomes first water company to embed public interest at its core

- **Social and environmental objectives embedded at the highest level in the business**
- **Board Directors and Chief Executive signal “cast iron commitment” to a sustainable future for the region**

The Board of Anglian Water, in conjunction with its shareholders (First State Investments, Canada Pension Plan Investment Board, IFM Investors, Dalmore Capital, GLIL Infrastructure and Infinity Investments) have approved a fundamental change which legally enshrines public interest objectives within the company’s constitution.

Anglian Water will be the first utility company to make changes to its Articles of Association to enshrine its long-term commitment to deliver wider public interest outcomes for society and the environment by altering the core documents that govern the overall management of the business.

The Articles of Association is a legal document that determines how a company is run. Embedding public interest objectives in this document will mean the company’s Board must take account of the wider impact Anglian Water has on customers, communities and the environment, as well as delivering a fair return for shareholders. The company already acts in this way, was named Responsible Business of the Year by Business in the Community in 2017, and has set out its commitments to society and the environment in its 25 year Strategic Direction Statement and its Business Plan. This change locks in those behaviours for the long term.

The Board of Anglian Water also intends to sign up to a set of Responsible Business Principles and to report on its performance as a responsible business. The company plans to incorporate in its articles a commitment to publish a statement which sets out its performance in relation to key environmental, social and ethical activities.

This approach ensures Anglian Water’s reporting is aligned with best practice reporting standards across Europe, which require Public Interest Entities to publish a non-financial reporting statement. Although the UK government has not defined water companies as Public Interest Entities, Anglian Water is

identifying itself as such a company, in recognition of the high standards it ensures.

Peter Simpson, CEO of Anglian Water, said:

"This change signals our cast-iron commitment to the wellbeing of communities in the East of England, going far beyond the provision of clean drinking water and effective treatment of used water.

"And while it's a big step forward, it's also the natural next step of the journey we've been on for years.

A year ago, Anglian Water made a series of financial and corporate commitments that included liquidating the company's Cayman Islands resident (but UK tax-domiciled) subsidiary, and reducing debt and gearing, by greatly reducing shareholder dividends. These funds have since been reinvested into programmes of work that will further reduce leakage and improve security of supply for customers.

Peter continued: "We've now moved on to driving the development of the water industry's Public Interest Commitment. Setting our own 'social contract' in stone as part of our company's constitution is the natural next thing to do."

"For years we've operated diligently in the background, striving to minimise our impact on the environment while positively contributing to communities where we've been able to impact. This change marks a new era that codifies that approach and makes it permanent, ensuring all future owners and investors will be obligated to work in the same way, and giving regulators, stakeholders and customers the confidence that this is simply how we work.

"We know the bar is set appropriately high for us as providers of an essential public service. This change should signal that we are very comfortable with those high expectations, and we will always seek to exceed them."

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